

LEGISLATIVE POSITION:

Unfavorable
Senate Bill 887—Electric Generation-Transition from Fossil FuelsCarbon Dioxide Emissions Rate and Transition Account
Senate Finance Committee

Tuesday, February 25, 2020

Dear Chairwoman Kelley and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 4,500 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees and families.

Senate Bill 887 would phase-out and require the decommissioning of Maryland's remaining coal-fired electric generating units by the year 2030 by limiting the carbon dioxide emissions rate for the affected units.

We believe this legislation represents a prohibition or ban on what is otherwise recognized as a legal commodity. Not only does this run counter to the free-market principles for which we stand, but it also presents the potential for many unintended consequences, including exponentially increasing cost of energy in Maryland.

Maryland already has a strong renewable mandate in place. As well, the State participates in the Regional Greenhouse Gas Initiative (RGGI), which has a constricting emissions cap from which generators that burn coal must purchase emission credits. This system encourages reductions in coal-related emissions.

While we recognize and appreciate the intent of the legislation, we do not believe that it represents the appropriate pathway for achieving Maryland's environmental goals and objectives.

For these reasons, the Maryland Chamber of Commerce respectfully requests an **<u>Unfavorable</u> <u>Report</u>** on Senate Bill 887